
By: **Delegates Franchot, Anderson, Barkley, Barve, Benson, Bobo, Bohanan, Bozman, Bronrott, Brown, Burns, Cadden, Cane, Carter, V. Clagett, Conroy, Conway, D. Davis, Donoghue, Doory, Dumais, Feldman, Frush, Goldwater, Gordon, Gutierrez, Hammen, Harrison, Heller, Holmes, Hubbard, Hurson, James, Jameson, Jones, Kaiser, Kelley, King, Krysiak, Lee, Love, Madaleno, Malone, Mandel, McHale, McIntosh, Menes, Mitchell, Moe, Montgomery, Morhaim, Murray, Nathan-Pulliam, Niemann, Parker, Pendergrass, Petzold, Proctor, Quinter, Ramirez, Ross, Rudolph, Simmons, Sophocleus, Stern, Taylor, and F. Turner**

Introduced and read first time: February 3, 2003
Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Moratorium on Expanded Gaming - Commission to Study Video Lottery**
3 **Terminals in Maryland**

4 FOR the purpose of prohibiting the State from authorizing any additional form of
5 gaming in the State for a certain period; establishing a Commission to Study
6 Video Lottery Terminals in Maryland; requiring the Commission to review and
7 evaluate the potential effects and fiscal implications of permitting video lottery
8 terminals in the State; prohibiting the compensation of members of the
9 Commission and allowing reimbursement of members of the Commission for
10 certain expenses; requiring the Commission to report findings and
11 recommendations by a certain date; providing for the membership of the
12 Commission; providing for the staffing of the Commission; providing for the
13 termination of this Act; and generally relating to prohibiting the State from
14 authorizing any additional form of gaming in the State and a Commission to
15 Study Video Lottery Terminals in Maryland.

16 Preamble

17 WHEREAS, It is estimated that as much as \$800 million could be provided to
18 the State of Maryland as the result of authorizing video lottery terminals in a number
19 of locations in the State; and

20 WHEREAS, The fiscal implications of authorizing video lottery terminals in the
21 State could also result in significant fiscal effects on the State lottery and important
22 sectors of the State's economy, including horse racing, tourism, hotels, and the
23 restaurant industry; and

1 WHEREAS, Expansion of gaming in the State could result in large social costs
2 to the State from increases in the number of individuals with compulsive gambling
3 problems and the behavior associated with compulsive gambling problems; and

4 WHEREAS, Video lottery terminals are currently allowed in the states of
5 Delaware and West Virginia and the state of Pennsylvania is expected to permit video
6 lottery terminals; and

7 WHEREAS, Many Maryland citizens are traveling to neighboring states to play
8 video lottery terminals which provides a significant positive fiscal benefit to these
9 states; and

10 WHEREAS, Maryland has significant fiscal needs that cannot be addressed
11 through current revenue sources, particularly in the areas of education and
12 transportation; and

13 WHEREAS, The State should carefully consider whether potential revenue
14 increases from authorizing video lottery terminals exceed any potential negative
15 consequences of additional gaming in the State; now, therefore,

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
17 MARYLAND, That:

18 (a) There is a Commission to Study Video Lottery Terminals in Maryland.

19 (b) The Commission shall review and evaluate the potential effects and fiscal
20 implications of authorizing the operation of video lottery terminals for gaming
21 purposes in the State, including:

22 (1) the estimated annual increase in State revenues;

23 (2) the potential social costs of increases in compulsive gaming and the
24 behavior associated with compulsive gaming;

25 (3) the effect on other economic sectors in the State, including horse
26 racing, tourism, and the restaurant industry;

27 (4) the impact of expanded gaming on State lottery revenues and on
28 existing gaming that benefits nonprofit organizations in the State;

29 (5) the impact of expanded gaming on law enforcement and criminal
30 activity; and

31 (6) the potential economic development benefits.

32 (c) The Commission shall be composed of 14 members as follows:

33 (1) a Senate co-chairman, appointed by the President of the Senate;

34 (2) a House co-chairman, appointed by the Speaker of the House of
35 Delegates;

1 (3) six members of the Senate, appointed by the President of the Senate;
2 and

3 (4) six members of the House of Delegates, appointed by the Speaker of
4 the House of Delegates.

5 (d) The Department of Legislative Services shall provide staff support to the
6 Commission.

7 (e) A member of the Commission:

8 (1) may not receive compensation; but

9 (2) is entitled to reimbursement for expenses under the Standard State
10 Travel Regulations as provided in the State budget.

11 (f) The Commission shall submit a report of findings and recommendations to
12 the Governor and, in accordance with § 2-1246 of the State Government Article, to
13 the General Assembly by December 31, 2003.

14 SECTION 2. AND BE IT FURTHER ENACTED, That the State may not
15 authorize any additional form of gaming in the State from the effective date of this
16 Act.

17 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
18 June 1, 2003. It shall remain effective for a period of 7 months and, at the end of
19 December 31, 2003, with no further action required by the General Assembly, this Act
20 shall be abrogated and of no further force and effect.